

MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.

b. A call using a local seven-digit telephone number to reach an ISP is local traffic subject to reciprocal compensation under the interconnection agreements for all minutes of use.

c. Ameritech Michigan withheld reciprocal compensation for calls to ISPs in violation of the MTA and the Commission's orders approving the interconnection agreements.

d. The ALJ's denial of Ameritech Michigan's motion to compel should be affirmed.

THEREFORE, IT IS ORDERED that:

A. The Administrative Law Judge's denial of Ameritech Michigan's motion to compel is affirmed.

B. The August 29, 1997 motion to compel payment of reciprocal compensation, filed by Brooks Fiber Communications of Michigan, Inc., is dismissed as moot.

C. Ameritech Michigan shall cease and desist from failing to pay reciprocal compensation in accordance with its interconnection agreements.

D. Ameritech Michigan shall immediately resume reciprocal compensation payments in accordance with those interconnection agreements and shall, within 10 days, pay the past due amounts, with interest as specified in the agreements.

E. Ameritech Michigan shall pay the complainants' and intervenors' attorney fees.

F. A copy of this order shall be placed in the docket in Case No. U-11104, the docket that the Commission opened for the purpose of consulting with the Federal Communications Commission on any request by Ameritech Michigan for interLATA authority under Section 271 of the Telecommunications Act of 1996, 47 USC 271.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ John G. Strand

Chairman

( S E A L )

/s/ John C. Shea

Commissioner, dissenting in part and  
concurring in part in a separate opinion.

/s/ David A. Svanda

Commissioner

By its action of January 28, 1998.

/s/ Dorothy Wideman

Its Executive Secretary

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application for approval of an )  
interconnection agreement between BROOKS )  
FIBER COMMUNICATIONS OF MICHIGAN, )  
INC., and Ameritech Information Industry Services )  
on behalf of AMERITECH MICHIGAN. )  
\_\_\_\_\_ )


Case No. U-11178 et al.

DISSENTING AND CONCURRING OPINION  
OF COMMISSIONER JOHN C. SHEA

(Submitted on January 28, 1998 concerning order issued on same date.)

I join in the accompanying order except insofar as it imposes liability for attorney fees on Ameritech Michigan. Such a penalty is, in my view, at best, incautious given the lack of clear standards in place for such a penalty. I am also concerned that profligate use of this power could have unintended consequences, drawing the Commission away from its core regulatory mission. Accordingly, I concur in part and dissent in part.

MICHIGAN PUBLIC SERVICE COMMISSION

  
\_\_\_\_\_  
John C. Shea, Commissioner



IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN

MICHIGAN BELL TELEPHONE COMPANY  
d/b/a AMERITECH MICHIGAN.

Plaintiff,

v.

Case No. 5:98-cv-18

MFS INTELENET OF MICHIGAN, INC.,  
TCG DETROIT, BROOKS FIBER  
COMMUNICATIONS OF MICHIGAN, INC.,  
MCI TELECOMMUNICATIONS CORPORATION,  
MCIMETRO ACCESS TRANSMISSION SERVICES, INC.,  
AT&T COMMUNICATIONS OF MICHIGAN, INC.,  
BRE COMMUNICATIONS, L.L.C.

Richard A. Enslen  
Chief, U.S. District Judge

and

JOHN G. STRAND, JOHN C. SHEA and  
DAVID A. SVANDA, Commissioners of the Michigan  
Public Service Commission (In Their Official  
Capacities and not as Individuals),

**FILE**

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COMPLAINT FOR DECLARATORY AND OTHER RELIEF

Michigan Bell Telephone Company d/b/a Ameritech Michigan ("Ameritech Michigan"),  
by and through its attorneys, brings this action for declaratory, injunctive and other relief and  
alleges as follows:

## INTRODUCTION

1. Ameritech Michigan brings this action pursuant to § 252(e)(6) of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (codified at 47 U.S.C. § 151, et seq.) (the "Act") and 28 U.S.C. § 1331 to challenge determinations made by the Michigan Public Service Commission ("Commission" or "MPSC"), acting through the defendant Commissioners, with respect to various obligations of Ameritech Michigan under six interconnection agreements ("Agreements") entered into pursuant to §§ 251 and 252 of the Act. Among other things, the Agreements establish the rates, terms and conditions under which defendants MFS Intelenet of Michigan, Inc., TCG Detroit, Inc., Brooks Fiber Communications of Michigan, Inc., MCImetro Access Transmission Services, Inc., AT&T Telecommunication of Michigan, Inc., and BRE Communications, L.L.C. (collectively, the "Carrier Defendants") may obtain access to and use Ameritech Michigan's telephone network, facilities and services to provide local telecommunications services in Michigan. Copies of pertinent portions of the voluminous Agreements are attached here as Exhibits 1-6.

2. Ameritech Michigan seeks review of the Commission's January 28, 1998, Order (the "MPSC Order") in MPSC Case Nos. U-11502, U-11522, U-11553 and U-11554 (attached here as Exhibit 7). The MPSC Order wrongfully requires Ameritech Michigan to pay reciprocal compensation to the Carrier Defendants with respect to calls (the "Disputed Calls") placed by Ameritech Michigan customers through the Internet via Internet service providers ("ISPs") who, in turn, are customers of the Carrier Defendants. The ISPs provide access to the Internet. The MPSC Order requires Ameritech Michigan to (1) pay within ten days of the issuance of the

MPSC Order previously withheld amounts (plus interest) associated with the Disputed Calls; (2) resume payment of reciprocal compensation with respect to Disputed Calls in the future; and (3) pay attorneys' fees incurred by the Carrier Defendants in prosecuting the proceeding that resulted in the MPSC Order.

### **JURISDICTION AND VENUE**

3. This is a civil action arising under the Act, a law of the United States. This Court has jurisdiction over this action pursuant to 47 U.S.C. § 252(e)(6), 28 U.S.C. § 1331 and 28 U.S.C. §§ 2201 and 2202.

4. Venue in this District is proper pursuant to 28 U.S.C. § 1391(b). Ameritech Michigan and all defendants reside in this District. In addition, a substantial part of the property that is the subject of the Agreements is situated in this District and a substantial part of the events giving rise to this action occurred in this District. This is an "appropriate Federal district court" within the meaning of 47 U.S.C. § 252(e)(6).

### **PARTIES**

5. Plaintiff Ameritech Michigan is a corporation organized under the laws of the State of Michigan, with its principal place of business in Michigan. Ameritech Michigan is a wholly-owned subsidiary of Ameritech Corporation that, among other things, provides telephone exchange service, exchange access and other telecommunications services within the State of

## PRAYER FOR RELIEF

For the foregoing reasons, Ameritech Michigan respectfully requests this Court to:

- 1) Declare that the term "Local Traffic" as used in the Agreements does not include the Disputed Calls;
- 2) Declare that the Disputed Calls are not subject to the payment of reciprocal compensation;
- 3) Issue an injunction against enforcement of the MPSC's Order;
- 4) Declare that the MPSC exceeded its authority in ordering Ameritech Michigan to pay the defendants' attorneys fees incurred in the underlying MPSC proceedings; and
- 5) Award any other relief that this Court deems just and proper.

Respectfully submitted.

MICHIGAN BELL TELEPHONE  
COMPANY d/b/a AMERITECH MICHIGAN

By: 

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Dated: February 6, 1998

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U-11502

IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN

MICHIGAN BELL TELEPHONE COMPANY  
d/b/a AMERITECH MICHIGAN,

Plaintiff,

v.

Case No. 5:98-CV-18

MFS INTELENET OF MICHIGAN, INC.,  
TCG DETROIT, BROOKS FIBER  
COMMUNICATIONS OF MICHIGAN, INC.,  
MCI TELECOMMUNICATIONS CORPORATION,  
MCIMETRO ACCESS TRANSMISSION SERVICES, INC.,  
AT&T COMMUNICATIONS OF MICHIGAN, INC.,  
BRE COMMUNICATIONS, L.L.C.

Hon. Richard A. Enslen

and

JOHN G. STRAND, JOHN C. SHEA and  
DAVID A SVANDA, Commissioners of the Michigan  
Public Service Commission (In Their Official  
Capacities and not as Individuals),

**ORAL ARGUMENT  
REQUESTED**

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**AMERITECH MICHIGAN'S MOTION FOR STAY PENDING REVIEW  
(ORAL ARGUMENT REQUESTED)**

Michigan Bell Telephone Company d/b/a Ameritech Michigan ("Ameritech Michigan"),  
by its attorneys, respectfully moves this Court to stay, pending the Court's review, the January  
28, 1998 order of the Michigan Public Service Commission ("MPSC") that is the subject of this  
action (the "MPSC Order"). The MPSC Order, if upheld, would require Ameritech Michigan to  
pay money to certain of the defendants; it involves no non-monetary relief. That being so, the

Court should stay the MPSC Order until it determines whether Ameritech Michigan actually does have an obligation to pay the disputed amounts. Ameritech Michigan states as follows in support of its motion:

1. During 1996 and 1997, the MPSC, acting pursuant to the federal Telecommunications Act of 1996 ("Act" or "1996 Act"), approved "interconnection agreements" between Ameritech Michigan — which is the "incumbent local exchange carrier" under the Act in its service areas in Michigan — and numerous "competing local exchange carriers." These interconnection agreements, as prescribed in the federal Act, set forth the rates, terms and conditions on which Ameritech Michigan's competitors can interconnect their local telephone networks with Ameritech Michigan's local telephone network; obtain access to "unbundled elements" of Ameritech Michigan's network; and purchase wholesale telecommunications services from Ameritech Michigan for resale to end-user customers — all to further the Act's goal of promoting competition in the local exchange market.

2. On January 28, 1998, the MPSC entered the MPSC Order, requiring Ameritech Michigan to pay money to six of these competing carriers (the "Carrier Defendants"), purportedly in accordance with Ameritech Michigan's interconnection agreement with each of them. The payments were so-called "reciprocal compensation" for certain "Disputed Calls," namely, calls made by customers of Ameritech Michigan to the Internet via Internet service providers ("ISPs") who are customers of the Carrier Defendants. Specifically, the MPSC Order called for Ameritech Michigan to (i) pay within ten days all allegedly past due reciprocal compensation for the Disputed Calls; (ii) pay, again purportedly pursuant to the parties' interconnection agreements, all future reciprocal compensation for such calls as it comes due;

and (iii) pay the Carrier Defendants' attorneys' fees for the proceeding that resulted in the MPSC Order.

3. On February 2, 1998, Ameritech Michigan filed with the MPSC a motion to stay further proceedings on the MPSC Order while Ameritech Michigan sought judicial review of the order. Ameritech Michigan tried diligently to have its motion heard by the MPSC before the deadline for complying with the MPSC Order. Among other things, on February 2, 1998 Ameritech Michigan filed a formal Notice of Hearing scheduling its motion for hearing at 9:00 a.m. on February 9, 1998. After learning that the motion would not be heard at that time, Ameritech Michigan hand-delivered a letter to the Executive Secretary of the MPSC on February 5, 1998, specifically requesting that the MPSC timely decide the motion. As of the filing of the present motion, however, the MPSC has taken no steps to decide or even hear argument on the motion that Ameritech Michigan filed with the MPSC.

4. On February 6, 1998, nine days after the MPSC Order was entered, Ameritech Michigan brought this action challenging the MPSC Order. This Court has jurisdiction over the action pursuant to, inter alia, section 252(e)(6) of the federal Act ("Review Of State Commission Actions"), which authorizes a party aggrieved by a State commission determination under the Act to obtain review of that determination in an appropriate federal district court. The Complaint alleges, and Ameritech Michigan will demonstrate in this action, that the MPSC Order must be set aside because, among other reasons, (i) it turns on the MPSC's misreading of a key provision in the parties' contracts; and (ii) it is contrary to dispositive determinations of the Federal Communications Commission ("FCC"). The defendants are the Commissioners of the MPSC, in their official capacities, and the Carrier Defendants.

5. By this motion, Ameritech Michigan asks the Court to grant the same relief pending review of the MPSC Order as is routinely granted during judicial review of any order to pay money: a stay, to maintain the status quo while the reviewing court determines whether the movant actually owes the money. To secure the Carrier Defendants during that period, Ameritech Michigan has posted with the Court a proposed supersedeas bond in the amount of \$25,000,000.00 (which is more than double the total amount covered by the MPSC Order), and Ameritech Michigan will, if necessary, modify that bond as the Court finds reasonable.

6. For purposes of this motion, there is no meaningful difference between the MPSC Order and a money judgment, on which a stay pending appeal would routinely be granted upon the posting of a sufficient bond pursuant to Federal Rule of Civil Procedure 62(d). That is indisputably so to the extent that the MPSC Order calls upon Ameritech Michigan to pay money now. And, the logic of Rule 62(d) applies equally to the requirement that Ameritech Michigan pay reciprocal compensation for the Disputed Calls as it becomes due in the future. Accordingly, the MPSC Order should be stayed in its entirety upon the posting of a bond sufficient to protect the Carrier Defendants.<sup>1</sup>

7. In the event that this Court applies the test of Rule 62(c), concerning stays of injunctions, to the forward-looking portion of the MPSC Order, then that portion of the MPSC Order should be stayed nonetheless. As demonstrated in the memorandum submitted herewith,

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<sup>1</sup> There is a very sound practical reason for staying the MPSC Order in its entirety rather than only to the extent of the amounts that the order calls upon Ameritech Michigan to pay forthwith: If only the more limited stay were granted at this time, Ameritech Michigan could reasonably be expected periodically to request the Court to extend the stay to additional amounts as they fall due, and there would be no conceivable basis for denying those requests. Given Ameritech Michigan's willingness to post a bond

Ameritech Michigan is likely to prevail in this case on the merits; it will be irreparably harmed if a stay is not granted; that harm is not outweighed by any harm that the defendants will suffer if a stay is granted; and the public interest favors a stay.

8. Appearances of counsel have not yet been entered for any of the Defendants. Based upon the prior relationship between the parties, however, Ameritech Michigan anticipates that the Motion for Stay may be opposed by one or more Defendants.

WHEREFORE, and for the reasons set forth in its accompanying memorandum, Ameritech Michigan respectfully requests that this Court approve its proposed Supersedeas Bond and stay the MPSC Order pending final resolution of this matter.

Dated: February 9, 1998

Respectfully submitted,  
MICHIGAN BELL TELEPHONE COMPANY  
d/b/a AMERITECH MICHIGAN, INC.

By: 

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sufficient to cover future reciprocal compensation amounts during the anticipated period of review, the efficient approach is to stay the entire MPSC Order now.

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John E. Muench  
Dennis G. Friedman  
Christian F. Binnig  
Demetrios G. Metropoulos  
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CHAMBERLAIN, SR., CLERK  
 U.S. DISTRICT COURT  
 WESTERN DISTRICT HIGH  
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MICHIGAN BELL TELEPHONE COMPANY  
 d/b/a AMERITECH MICHIGAN,

Plaintiff,

Case No. 5:98-CV-18

v.

HON. RICHARD A. ENSLEN

MFS INTELENET OF MICHIGAN, INC.,  
 TCG DETROIT, BROOKS FIBER  
 COMMUNICATIONS OF MICHIGAN,  
 INC., MCI TELECOMMUNICATIONS  
 CORPORATION, MCI METRO ACCESS  
 TRANSMISSION SERVICES, INC., AT&T  
 COMMUNICATIONS OF MICHIGAN, INC.,  
 BRE COMMUNICATIONS, L.L.C.

and

JOHN G. STRAND, JOHN C. SHEA and  
 DAVID A. SVANDA, Commissioners of  
 the Michigan Public Service Commission  
 (In Their Official Capacities and not as  
 Individuals),

Defendants.

# ORDER

Before the Court is Ameritech Michigan's motion seeking a stay pending review of the January 28, 1998 order of the Michigan Public Service Commission ("MPSC"). The matter filed with the Court is a "motion for stay pending review," however, for purposes of this order, the Court interprets Plaintiff's motion as a motion for a temporary restraining order.

Ameritech Michigan's motion challenges a January 28, 1998 order of the MPSC which requires the Plaintiff to pay monies to certain Defendants in accordance with Ameritech

Michigan's interconnection agreements with these Defendants. The Plaintiff contends that the MPSC has misread key provisions of the parties' contracts and that the MPSC's interpretation is contrary to dispositive determinations of the Federal Communications Commission.

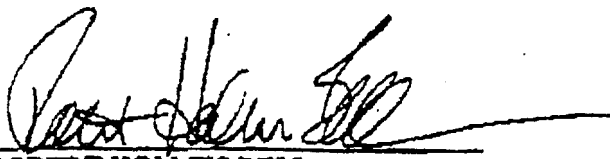
For purposes of this motion, the Court will assume it has jurisdiction to hear this matter. After reviewing the pleadings, the Court finds that the Plaintiff has failed to demonstrate irreparable harm. The Plaintiff has failed to demonstrate that it is unable to pay the charges at issue. It has also failed to demonstrate that it would be unable to collect the charges it pays in the event that it prevails in its challenge to the MPSC order. Consequently, the Court respectfully declines to issue a temporary restraining order at this time.

The Court's decision does not preclude the Plaintiff from motioning the Court under F.R.Civ.P. 65 for a preliminary injunction or for such other relief as it believes is necessary.

**IT IS HEREBY ORDERED** that Ameritech Michigan's motion for a temporary restraining order is **DENIED**.

**IT IS SO ORDERED.**

Dated: February 11, 1998

  
ROBERT HOLMES BELL  
UNITED STATES DISTRICT JUDGE

for

RICHARD A. ENSLEN  
UNITED STATES DISTRICT JUDGE



UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

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MICHIGAN BELL TELEPHONE CO.,  
d/b/a Ameritech Michigan, Inc.,

Plaintiff,

v

File No. 5:98 CV 18

MFS INTELENET OF MICHIGAN,  
INC.,  
TCG DETROIT,  
BROOKS FIBER COMMUNICATIONS  
OF MICHIGAN, INC.,  
MCI TELECOMMUNICATIONS CORP.,  
MCMETRO ACCESS TRANSMISSION  
SERVICES, INC.,  
AT&T COMMUNICATIONS OF  
MICHIGAN, INC.,  
BRE COMMUNICATIONS, LLC,  
and  
JOHN G. STRAND,  
JOHN C. SHEA,  
and  
DAVID A. SVANDA,  
Commissioners of the Michigan Public  
Service Commission, in their official  
capacities,

HON. RICHARD ALAN ENSLEN

ORDER

Defendants.

In accordance with the Opinion entered this date,

IT IS HEREBY ORDERED that the Defendant TCG Detroit's Motion for Leave to File  
Second Supplement filed April 30, 1998 (dkt. #59), is GRANTED;

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**IT IS FURTHER ORDERED** that Plaintiff Motion for Approval of Supersedeas Bond and for Stay Pending Review, filed February 12, 1998 (dkt. #7), is **DENIED**;

**IT IS FURTHER ORDERED** that Plaintiff's Motion for Preliminary Injunction Pending Review of Commissioner's Order, filed May 19, 1998 (dkt. #66), is **DENIED**;

**IT IS FURTHER ORDERED** that Plaintiff's Motion for Leave to Deposit Funds with the Court, filed February 12, 1998 (dkt. #8), is **DENIED as moot**;

**IT IS FURTHER ORDERED** that Plaintiff's Motion for Primary Jurisdiction Referral, filed August 18, 1998 (dkt. #<sup>119</sup>~~120~~), is **GRANTED in part**;

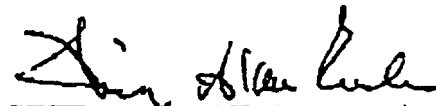
**IT IS FURTHER ORDERED** that Plaintiff Ameritech's Motion for Decision on Pending Motions, filed August 17, 1998 (dkt. #117), is **DENIED as moot**;

**IT IS FURTHER ORDERED** that this matter is stayed pending the issuance of the Federal Communications Commission's (FCC) ruling on the Local Competition proceeding, CC Docket No. 96-98, which includes the record developed in CCB/CPD 97-30, entitled *Requests for Clarification of the Commission's Rules Regarding Reciprocal Compensation for Information Service Providers*;

**IT IS FURTHER ORDERED** that Plaintiff Ameritech shall notify the Court within fourteen (14) days of the date on which the FCC ruling is issued. No motions further motions should be filed in this matter until such time as the Court has had an opportunity to review the FCC ruling.

DATED in Kalamazoo, MI:

*Aug 26, 1998*



RICHARD ALAN ENSLEN  
Chief Judge

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION  
\*\*\*\*\*

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MICHIGAN BELL TELEPHONE CO.,  
d/b/a Ameritech Michigan, Inc.,

Plaintiff,

v

File No. 5:98 CV 18

MFS INTELENET OF MICHIGAN,  
INC.,  
TCG DETROIT,  
BROOKS FIBER COMMUNICATIONS  
OF MICHIGAN, INC.,  
MCI TELECOMMUNICATIONS CORP.,  
MCIMETRO ACCESS TRANSMISSION  
SERVICES, INC.,  
AT&T COMMUNICATIONS OF  
MICHIGAN, INC.,  
BRE COMMUNICATIONS, LLC,  
and  
JOHN G. STRAND,  
JOHN C. SHEA,  
and  
DAVID A. SVANDA,  
Commissioners of the Michigan Public  
Service Commission, in their official  
capacities,

HON. RICHARD ALAN ENSLEN

Defendants.

OPINION

Plaintiff Michigan Bell Telephone Company, d/b/a Ameritech Michigan, Inc. [hereinafter Ameritech], filed this action pursuant to the Federal Telecommunications Act of 1996. Plaintiff seeks declaratory and injunctive relief to prevent enforcement of an Order issued by the Defendant Commissioners of the Michigan Public Service Commission (MPSC) interpreting interconnection

agreements between itself and the Defendant competing local telecommunications carriers. This matter is before the Court on Plaintiff's Motions for Leave to Deposit Funds with the Court, for Approval of Supersedeas Bond, for Stay Pending Review, for Preliminary Injunction, and for Primary Jurisdiction Referral. Upon review, all but one of Plaintiff's Motions are denied. The remaining motion, Plaintiff's Motion for Primary Jurisdiction Referral, is granted in part.

## I. BACKGROUND

The Telecommunications Act of 1996, Pub. L. 104-104, 1996 U.S.C.A.N. (110 Stat. 56) 10 (codified as amended in scattered sections of Title 47 of the United States Code) [hereinafter "the Telecom Act" or "the Act"], was designed to inject competition into the traditionally monopolistic area of local telephone service. To effectuate that goal, the Act requires, among other things, that incumbent local telephone service providers (referred to as local exchange providers or LECs) to enter into interconnection agreements with competing LECs.<sup>1</sup> In 1997, as a result of the mandate imposed by the Act, Plaintiff Ameritech entered into a number of interconnection agreements with various competing LECs. Those agreements included provisions requiring the Parties to pay reciprocal compensation to one another for local calls initiated by the customer of one Party which were terminated by a customer of the other Party, as also required by the Act. 47 U.S.C. § 251(b)(5).<sup>2</sup> For over a year, both Ameritech and the Defendant competing LECs paid such

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<sup>1</sup> Having recently explored the purpose and structure of the Telecom Act in an earlier Opinion filed in this case, the Court declines to revisit those issues here. See *Michigan Bell v. MFS Intelenet of Michigan, Inc.*, \_\_ F. Supp. 2d \_\_, No. 5:98CV18, 1998 WL 413749, \*1-\*2 (W.D. Mich. July 21, 1998).

<sup>2</sup> Section 251(b)(5) provides that all LECs have a "duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications." The corresponding regulations define reciprocal compensation as an "arrangement between two carriers . . . in which



compensation for calls made to Internet Service Providers (ISPs) from an end user within the same local calling area. This case arose when Ameritech, asserting that all calls to ISPs are interstate calls, stopped paying reciprocal compensation to the Defendant competing LECs for those calls.

In response to Plaintiff's unilateral decision to cease payment, each of the Defendant LECs either filed individual complaints with the Michigan Public Service Commission or intervened in such actions. Ultimately, the complaints were consolidated and the Commissioners found in favor of the Defendant LECs. On January 28, 1998, the Commissioners issued an Order instructing Plaintiff Ameritech to "cease and desist" withholding reciprocal compensation from the competing LECs for calls made to ISPs. The Commissioners ordered Plaintiff to release the over \$6 Million in back compensation within 10 days, to pay all future charges, and to pay the competing LECs attorney's fees.

On February 2, 1998, Ameritech filed a motion with the MPSC to stay further proceedings while it sought judicial review of the January 28 Order. No action was taken on that motion. Ameritech then filed this action on February 6, 1998, nine days after the MPSC Order was issued. On February 9, 1998, Plaintiff filed a Motion for a Stay Pending Appeal which this Court construed

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each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of local telecommunications traffic that originates on the network facilities of the other carrier." 47 C.F.R. § 51.701(e) (1998). "The reciprocal compensation system functions in the following manner: a local caller pays charges to her LEC which originates the call. In turn, the originating carrier must compensate the terminating LEC for completing the call. See *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Dockets 96-98 et al., First Report and Order, 11 F.C.C. Red. 15499, P 1034 (Aug. 8, 1996). Reciprocal compensation applies only to 'local telecommunications traffic.' 47 C.F.R. § 51.701(a) (1998). Local telecommunications traffic is defined as traffic that 'originates and terminates within a local service area established by the state commission.'" *Illinois Bell Tel. Co., d/b/a Ameritech v. Worldcom Tech.*, No. 98 C 1925, 1998 WL 419493, \*4 (N.D.Ill. July 23, 1998).